

NEW APPLICATION



0000027739

TIFFANY & BOSCO

P.A.

THIRD FLOOR CAMELBACK ESPLANADE II

2525 EAST CAMELBACK ROAD

PHOENIX, ARIZONA 85016-4237

TELEPHONE: (602) 255-6000

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general@tblaw.com

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2005 NOV 15 A 10:17

AZ CORP COMMISSION
DOCUMENT CONTROL

November 14, 2005

BETH A. HEATH

ATTORNEY AT LAW

DIRECT LINE: (602) 255-6084

bah@tblaw.com

ORIGINAL

HAND DELIVERED

Arizona Corporation Commission

Docket Control

1300 West Washington Street

Phoenix, Arizona 85007-2929

Re: Green Acres Water, L.L.C. CC&N

W-20430A-05-0839

Dear Docket Control:

Enclosed are the original and thirteen (13) copies of an application by Green Acres Water, L.L.C. for a new water Certificate of Convenience and Necessity. Green Acres Water, L.L.C. was formed to provide water service to a 4,800 acre community that will be developed in the area that is located east of Buckeye, which is more particularly described in Exhibit A. A water CC&N is required at this time to assist in establishing a service area for Green Acres Water, L.L.C. to enable the Company to serve the planned community. Given the upcoming demand for water, it serves the public interest for the Commission to grant a water CC&N to Green Acres Water, L.L.C.

Notice of this application has been given to all property owners, a copy of which is attached as Exhibit G. An affidavit verifying that the notice of this application was sent to the property owners is attached as Exhibit H.

Sincerely

TIFFANY & BOSCO, P.A.

Beth A. Heath

For Green Acres Water, L.L.C.

BAH/lop
Enclosures

cc: Steve Robson c/o Jacob Hansen
Duane Hunn, Carter-Burgess

288937/7827-037

TIFFANY & BOSCO, P.A. IS A MEMBER OF MSI, A WORLDWIDE NETWORK OF INDEPENDENT LEGAL AND ACCOUNTING FIRMS.

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ARIZONA CORPORATION COMMISSION

AZ CORP COMMISSION
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APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY

WATER AND/OR SEWER

- A. The name, address and telephone number of the Applicant (Company) is:

Green Acres Water, L.L.C.

9532 East Riggs Road, Sun Lakes, Arizona 85248

480-895-9200

- B. If doing business (d.b.a.) under a name other than the Applicant (Company) name listed above, specify:

Same

- C. List the name, address and telephone number of the management contact:

Steve Robson

9532 East Riggs Road, Sun Lakes, Arizona 85248

480-895-9200

- D. List the name, address and telephone number of the attorney for the Applicant:

Beth A. Heath, Esq.

Tiffany & Bosco, P.A.

2525 E. Camelback Road, Phoenix, Arizona 85016 602-255-6084

- E. List the name, address and telephone number of the operator certified by the Arizona Department of Environmental Quality:

Dave Voorhees

24607 South Price Road, Sun Lakes, Arizona 85248

480-895-5009

F. List the name, address and telephone number of the on-site manager of the utility:

Steve Robison

9532 East Riggs Road, Sun Lakes, Arizona 85248

480-895-9200

G. The Applicant is a:

<input type="checkbox"/> Corporation: <input type="checkbox"/> "C", <input type="checkbox"/> "S", <input type="checkbox"/> Non-Profit <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign	<input type="checkbox"/> Partnership <input type="checkbox"/> Limited, <input type="checkbox"/> General <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign
<input type="checkbox"/> Sole Proprietorship	<input checked="" type="checkbox"/> Limited Liability Company (LLC)
<input type="checkbox"/> Other (Specify)	

H. If Applicant is a corporation:

N/A

I. List names of Officers and Directors:

Officers

Directors

_____	_____
_____	_____
_____	_____

2. Attach a copy of the corporation's "Certificate of Good Standing" issued by the Corporation's Division of the Arizona Corporation Commission.

3. Attach a copy of the Articles of Incorporation.

4. Attach a copy of the corporation's By-Laws.

5. If a for-profit corporation, indicate the number of shares of stock authorized for issue:

6. If stock has been issued, indicate the number of shares issued and date of issue:

H. If the Applicant is a partnership: N/A

1. List the names of the general partners:

2. List the name, address and telephone number of the managing partners:

3. Attach a copy of the Partnership's Articles of Partnership.

- If the Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" filed with the Arizona Secretary of State.

J. If the Applicant is a sole proprietor, list the name, address and telephone number of the proprietor: N/A

K. If the Applicant is a Limited Liability Company:

1. List the names of managers:

Steven S. Robson and Kimberly F. Robson

as Trustees of the Steven and Kimberly Robson Trust dated June 25, 1993

as amended April 12, 1996

- L. List the names and addresses of any other public utility interest, which the applicant may have:
None. However, Steve Robson has an interest in the following public utilities in Arizona: Lago Del Oro Water Company; Pima Utility Company; Quail Creek Water Company; Ridgeview Utility Company; Saddlebrooke Utility Company

- M. Attach a description of the area requested using **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and docket numbers will not be accepted.

See Exhibit A

- N. Attach a detailed map using the form provided as Attachment "B". Shade and outline the area requested. Also, indicate any other utility within the general area using different colors.

See Exhibit B

- O. Attach financial information in a format similar to Attachment "C".

See Exhibit C

- P. Explain the method of financing utility facilities. Refer to the instructions, item no. 7. (Use additional sheets if necessary):

The method of financing is still being determined.

- Q. Estimated starting and completion dates of construction of utility facilities:

Starting date December 25, 2006 Completion November 6, 2007

- R. Attach proposed Tariffs using either the water or sewer format of Attachment "D", unless the Utilities Division, prior to the filing of this application, approves another form.

See Exhibit D

- S. Attach the following permits:

1. The franchise from either the City or County for the area requested.
Will be a late filed exhibit to this application.
2. The Arizona Department of Environmental Quality (or its designee's) approval to construct facilities.
Will be a late filed exhibit to this application.
3. The Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.)
Approval is pending.
4. Any U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.)
N/A
5. **(WATER ONLY)** If the area requested is within an Active Management Area, attach a copy of the utility's Designation of an Assured Water Supply, or the developer's Certificate of Assured Water Supply issued by the Arizona Department of Water Resources, whichever applies.
 - If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources, if applied for by the developer.
N/A
 - If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detail to prove that adequate water exists to provide water to the area requested.
Will be a late filed exhibit to this application.
6. Provide a copy of your estimated property taxes. This may be obtained by contacting the Arizona Department of Revenue, Division of Property Valuation and Equalization. You must provide them with a five (5) year projection of the original cost of the plant, depreciation expense, the location of the property and the school district.

See Exhibit E

T. Provide the following information:

1. Indicate the estimated number of customers, by class, to be served in each of the first five years of operation:

Residential:

First Year 800 Second Year 1,600 Third Year 2,400 Fourth Year 3,200

Fifth Year 4,000

Commercial: (and school)

First Year 0 Second Year 5 Third Year 11 Fourth Year 16

Fifth Year 21

Industrial:

First Year 0 Second Year 0 Third Year 0 Fourth Year 0

Fifth Year 0

Irrigation:

First Year 0 Second Year 0 Third Year 0 Fourth Year 0

Fifth Year 0

2. Indicate the projected annual water consumption or sewerage treatment, in gallons, for each of the customer classes for each of the first five years of operation:

Residential:

First Year 43,200 Second Year 129,600 Third Year 216,000 Fourth Year 302,400

Fifth Year 388,800

Commercial: (and school)

First Year 0 Second Year 456 Third Year 2,464 Fourth Year 4,471

Fifth Year 5,384

Industrial:

First Year 0 Second Year 0 Third Year 0 Fourth Year 0

Fifth Year 0

Irrigation:

First Year 0 Second Year 0 Third Year 0 Fourth Year 0

Fifth Year 0

3. Indicate the total estimated annual operating revenue for each of the first five years of operation:

Residential:

First Year \$372,000 Second Year \$1,020,000 Third Year \$1,668,000

Fourth Year \$2,316,000 Fifth Year \$2,964,000

Commercial: (and school)

First Year 0 Second Year \$3,589 Third Year \$17,211

Fourth Year \$30,712 Fifth Year \$37,291

Industrial:

First Year 0 Second Year 0 Third Year 0

Fourth Year 0 Fifth Year 0

Irrigation:

First Year 0 Second Year 0 Third Year 0

Fourth Year 0 Fifth Year 0

4. Indicate the total estimated annual operating expenses for each of the first five years of operation:

Residential:

First Year \$419,279 Second Year \$761,833 Third Year \$1,139,676

Fourth Year \$1,539,129 Fifth Year \$2,007,893

Commercial:

First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

Industrial:

First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

Irrigation:

First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

5. Attach an itemized list of the major components of the water or sewer system (see Attachment C-3). See Exhibit F

6. Indicate the total estimated cost to construct utility facilities:

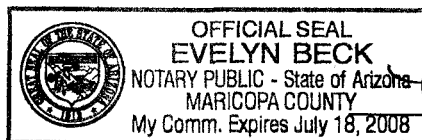
\$30,316,545

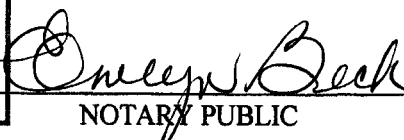

(Signature of Authorized Representative)

Steven S. Robson, Trustee
(Type or Print Name Here)

Managing Member
(Title)

SUBSCRIBED AND SWORN to before me this 14th day of November, 2005




NOTARY PUBLIC

My Commission Expires July 18, 2008

PARCEL 1

THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT ALL THAT PORTION OF LOT 10 LYING SOUTHWESTERLY OF OLD HIGHWAY 80 RIGHT-OF-WAY.

PARCEL 2

THE WEST HALF OF SECTION 6 TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THAT PROPERTY DESCRIBED IN THE SPECIAL WARRANTY DEED RECORDED AT RECORDER'S NO. 99-790173, RECORDS OF MARICOPA COUNTY, ARIZONA; AND

EXCEPT THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL NO. 4 IN DEED RECORDED AT RECORDER'S NO. 01-1208410; AND

EXCEPT THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL NO. 187 IN DEED RECORDED AT RECORDER'S NO. 01-1208410; AND

EXCEPT THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL NO. 188 IN DEED RECORDED AT RECORDER'S NO. 01-1208410; AND

EXCEPT ANY PORTION OF CONTAINING IRRIGATION AND DRAINAGE OF THE PALOMA IRRIGATION AND DRAINAGE DISTRICT, AS DESCRIBED AT RECORDER'S NO. 01-1208410, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL 3

THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 1; AND

THE NORTHEAST QUARTER OF SECTION 1;

AND THE SOUTHEAST QUARTER OF SECTION 1;

EXCEPT THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1 BEING 5 AC IN SIZE;

ALL IN TOWNSHIP 3 SOUTH RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4

ALL OF THE NORTHWEST QUARTER AND OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 26, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, LYING WEST OF THE CENTERLINE OF U.S. HIGHWAY 85.

EXCEPT THOSE PORTIONS LYING WITHIN THE FOLLOWING DESCRIBED REAL PROPERTY:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, LYING WEST OF THE EXISTING WEST RIGHT OF WAY LINE OF STATE ROUTE 85 AND EAST OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT A BENT BUREAU OF LAND MANAGEMENT (BLM) BRASS CAP, MARKING THE SOUTH QUARTER CORNER OF SAID SECTION 26, BEING SOUTH 89°22'13" EAST 2635.47 FEET FROM A BRASS CAP MARKED "LS 22282" MARKING THE SOUTHWEST CORNER OF SAID SECTION 26;

THENCE ALONG THE SOUTH LINE OF SAID SECTION 26, NORTH 89°22'13" WEST 760.58 FEET TO THE EXISTING RIGHT OF WAY CENTERLINE OF STATE ROUTE 85;

THENCE ALONG SAID EXISTING RIGHT OF WAY CENTERLINE OF STATE ROUTE 85, NORTH 10°04'29" EAST 180.86 FEET;

THENCE NORTH 79°55'31" WEST 210.80 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 10°04'06" EAST 2462.87 FEET TO THE EAST-WEST MID SECTION LINE OF SAID SECTION 26, BEING SOUTH 89°20'59" EAST 2111.14 FEET FROM A BLM BRASS CAP MARKING THE WEST QUARTER CORNER OF SAID SECTION 26;

THENCE CONTINUING NORTH 10°04'06" EAST 407.64 FEET;

THENCE NORTH 04°21'49" EAST 1082.88 FEET;

THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 12377.67 FEET, A LENGTH OF 1065.49 FEET;

THENCE NORTH 79°55'54" WEST 516.86 FEET TO A POINT HEREAFTER REFERRED TO AS POINT "A";

THENCE CONTINUING NORTH 79°55'54" WEST 66.00 FEET TO A POINT
HEREAFTER REFERRED TO AS POINT "B";

THENCE CONTINUING NORTH 79°55'54" WEST 43.62 FEET TO THE POINT OF
ENDING ON THE NORTH LINE OF SECTION 26, BEING NORTH 89°23'58" WEST
887.25 FEET FROM A BLM BRASS CAP MARKING THE NORTH QUARTER
CORNER OF SAID SECTION 26.

PARCEL 5

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
OF SECTION 33, TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER
BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA LYING NORTHERLY
OF A LINE DESCRIBED AS BEGINNING AT THE SOUTHWEST CORNER OF
THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID
SECTION 33 AND TERMINATING AT THE NORTHEAST CORNER OF THE
NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33.

PARCEL 6

THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER
OF SECTION 32 AND THE SOUTHWEST QUARTER OF THE SOUTHWEST
QUARTER OF SECTION 33, ALL IN TOWNSHIP 2 SOUTH, RANGE 4 WEST,
GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY,
ARIZONA LYING NORTHERLY OF A LINE DESCRIBED AS BEGINNING AT
THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE
SOUTHEAST QUARTER OF SAID SECTION 32 AND TERMINATING AT THE
NORTHEAST CORNER OF SOUTHWEST QUARTER OF THE SOUTHWEST
QUARTER OF SAID SECTION 33.

PARCEL 7

THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32,
TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

THE NORTH HALF OF THE NORTHWEST QUARTER AND THE NORTHWEST
QUARTER OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 2
SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 10

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 28,
TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 11

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 28,
TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 12

THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 28,
TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 13

THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 28,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 14

THAT PART OF SECTION 28, TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND
SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA
DESCRIBED AS FOLLOWS:

THE NORTH HALF OF SECTION 28, TOWNSHIP 2 SOUTH, RANGE 4 WEST,
GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY,
ARIZONA.

PARCEL 15

THE NORTHEAST QUARTER IF THE SOUTHWEST QUARTER OF SECTION 38,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 16

THAT PART OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND
SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA
DESCRIBED AS FOLLOWS:

THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 29,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA;

TOGETHER WITH;

THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 29,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA;

TOGETHER WITH;

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 29,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA;

TOGETHER WITH;

THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 29,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 17

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 28;

AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF
SECTION 29;

AND THE NORTHEAST QUARTER IF THE NORTHWEST QUARTER OF
SECTION 32;

AND THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF
SECTION 32;

AND THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF
SECTION 32;

AND THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 31;

AND THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 29;

ALL IN TOWNSHIP 2 SOUTH RANGE 4 WEST OF THE GILA AND SALT RIVER
BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 18

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; AND

THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER;

ALL IN SECTION 33, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND
SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 19

THE NORTH HALF OF THE SOUTHEAST QUARTER; AND

THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND

THE SOUTH HALF OF THE NORTHEAST QUARTER; AND

THE SOUTHEAST QUARTER IF THE NORTHWEST QUARTER;

ALL IN SECTION 32, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 20

THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 21

THE SOUTH HALF OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 22

SECTION THIRTY-SIX (36). TOWNSHIP TWO (2) SOUTH, RANGE FIVE (5) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER;

EXCEPT ALL THAT PORTION OF SAID SECTION 36 LYING SOUTH AND WEST OF THE CENTERLINE OF OLD HIGHWAY 80 AS EXISTING ON JUNE 25, 1956.

PARCEL 23

LOTS 1 AND 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 24

LOTS 3 AND 4 AND THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 25

LOTS 1, 2, AND 3, THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER

NORTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE LAST HALF OF THE SOUTHWEST QUARTER, AND THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 26

LOTS 4, 5, AND 6, THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA AND LOTS 1 AND 2, THE SOUTH HALF OF THE NORTHEAST QUARTER, AND THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 27

THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

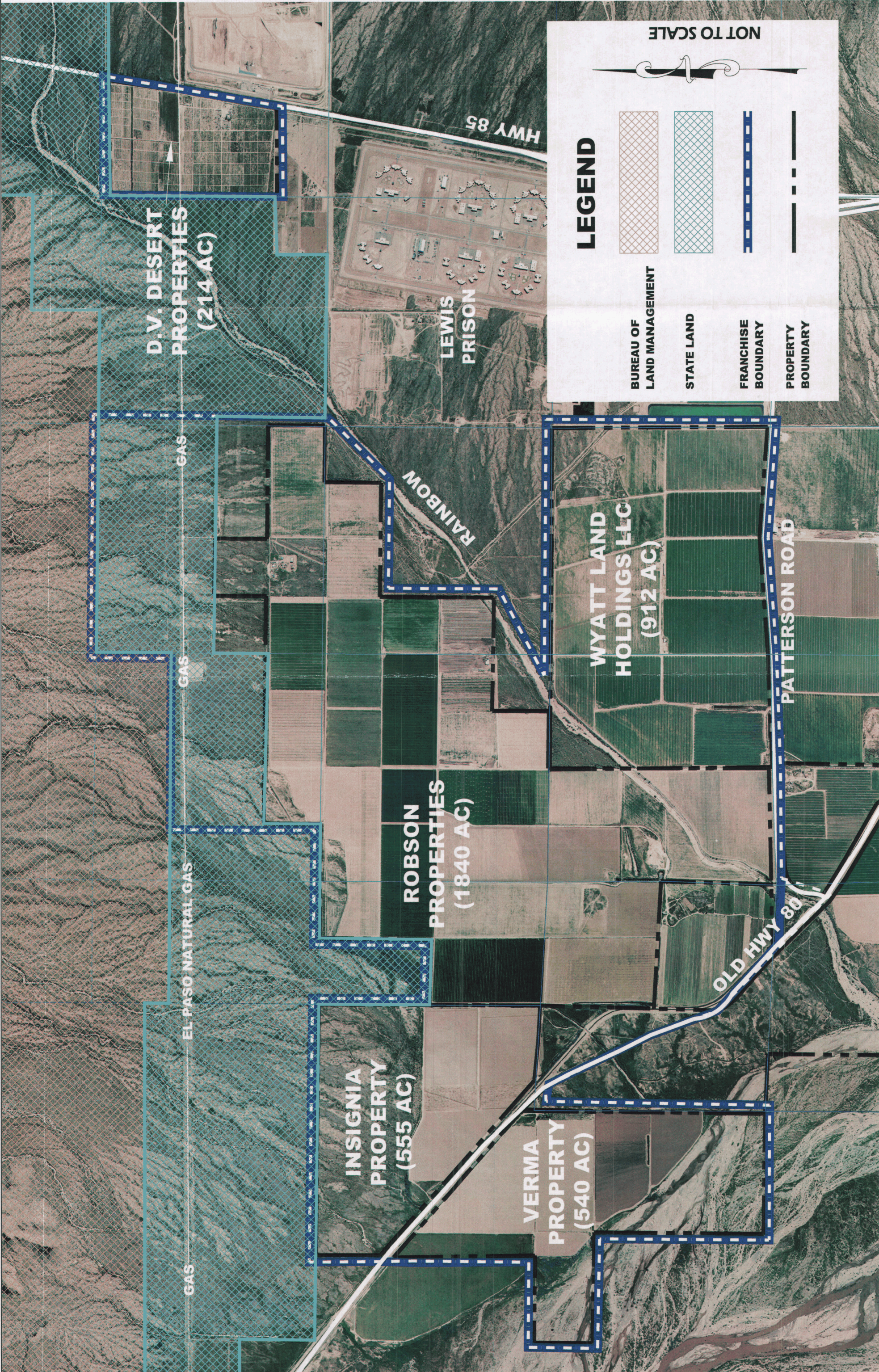
PARCEL 28

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 36;
AND

THAT PART OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER LYING SOUTHWESTERLY OF THE CENTERLINE OF OLD HIGHWAY 80 AS EXISTED ON 6-25-1956 OF SECTION 36; AND

THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER LYING SOUTHWESTERLY OF THE CENTERLINE OF OLD HIGHWAY 80 AS EXISTED ON 6-25-1956 OF SECTION 36;

ALL IN TOWNSHIP 2 SOUTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

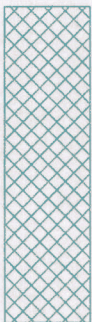


NOT TO SCALE

LEGEND



BUREAU OF
LAND MANAGEMENT



STATE LAND



FRANCHISE
BOUNDARY



PROPERTY
BOUNDARY

CS-5

ATTACHMENT "B"

MARICOPA	36	25	5W
COUNTY	SECTION	TOWNSHIP	RANGE

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Type or Print Description Here:ATTACHED

SECTION THIRTY-SIX (36). TOWNSHIP TWO (2) SOUTH, RANGE FIVE (5) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER;

EXCEPT ALL THAT PORTION OF SAID SECTION 36 LYING SOUTH AND WEST OF THE CENTERLINE OF OLD HIGHWAY 80 AS EXISTING ON JUNE 25, 1956.

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 36;
AND

THAT PART OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER LYING SOUTHWESTERLY OF THE CENTERLINE OF OLD HIGHWAY 80 AS EXISTED ON 6-25-1956 OF SECTION 36; AND

THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER LYING SOUTHWESTERLY OF THE CENTERLINE OF OLD HIGHWAY 80 AS EXISTED ON 6-25-1956 OF SECTION 36;

ALL IN TOWNSHIP 2 SOUTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

ATTACHMENT "B"

ccnnew.doc 04/00

ATTACHMENT "B"

MARICOPA	31, 32, 33, 28, 29	2 S	4 W
COUNTY	SECTION	TOWNSHIP	RANGE

The image shows a 10x10 grid for a 10000 grid-in answer sheet. The leftmost column is shaded black. The grid contains numbers 0-9 in various positions, with some cells shaded gray. The numbers are arranged in a pattern that suggests a 10x10 grid of digits.

6	5	4	3	2	1
7	8	9	1 0	1 1	1 2
1	8	1 7	1 6	1 5	1 4
1	9	2 0	2 1	2 2	2 3
0	2 9	2 8	2 7	2 6	2 5
3	3 2	3 3	3 4	3 5	3 6

Type or Print Description Here:

ATTACHED

ALL OF THE NORTHWEST QUARTER AND OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 26, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, LYING WEST OF THE CENTERLINE OF U.S. HIGHWAY 85.

EXCEPT THOSE PORTIONS LYING WITHIN THE FOLLOWING DESCRIBED REAL PROPERTY:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, LYING WEST OF THE EXISTING WEST RIGHT OF WAY LINE OF STATE ROUTE 85 AND EAST OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT A BENT BUREAU OF LAND MANAGEMENT (BLM) BRASS CAP, MARKING THE SOUTH QUARTER CORNER OF SAID SECTION 26, BEING SOUTH 89°22'13" EAST 2635.47 FEET FROM A BRASS CAP MARKED "LS 22282" MARKING THE SOUTHWEST CORNER OF SAID SECTION 26;

THENCE ALONG THE SOUTH LINE OF SAID SECTION 26, NORTH 89°22'13" WEST 760.58 FEET TO THE EXISTING RIGHT OF WAY CENTERLINE OF STATE ROUTE 85;

THENCE ALONG SAID EXISTING RIGHT OF WAY CENTERLINE OF STATE ROUTE 85, NORTH 10°04'29" EAST 180.86 FEET;

THENCE NORTH 79°55'31" WEST 210.80 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 10°04'06" EAST 2462.87 FEET TO THE EAST-WEST MID SECTION LINE OF SAID SECTION 26, BEING SOUTH 89°20'59" EAST 2111.14 FEET FROM A BLM BRASS CAP MARKING THE WEST QUARTER CORNER OF SAID SECTION 26;

THENCE CONTINUING NORTH 10°04'06" EAST 407.64 FEET;

THENCE NORTH 04°21'49" EAST 1082.88 FEET;

THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 12377.67 FEET, A LENGTH OF 1065.49 FEET;

THENCE NORTH 79°55'54" WEST 516.86 FEET TO A POINT HEREFTER REFERRED TO AS POINT "A";

THENCE CONTINUING NORTH 79°55'54" WEST 66.00 FEET TO A POINT HEREFTER REFERRED TO AS POINT "B";

THENCE CONTINUING NORTH 79°55'54" WEST 43.62 FEET TO THE POINT OF ENDING ON THE NORTH LINE OF SECTION 26, BEING NORTH 89°23'58" WEST 887.25 FEET FROM A BLM BRASS CAP MARKING THE NORTH QUARTER CORNER OF SAID SECTION 26.

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA LYING NORTHERLY OF A LINE DESCRIBED AS BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID

SECTION 33 AND TERMINATING AT THE NORTHEAST CORNER OF THE
NORHTEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33.

THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER
OF SECION 32 AND THE SOUTHWEST QUARTER OF THE SOUTHWEST
QUARTER OF SECTION 33, ALL IN TOWNSHIP 2 SOUTH, RANGE 4 WEST,
GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY,
ARIZONA LYING NORTHERLY OF A LINE DESCRIBED AS BEGINNING AT
THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE
SOUTHEAST QUARTER OF SAID SECTION 32 AND TERMINATING AT THE
NORTHEAST CORNER OF SOUTHWEST QUARTER OF THE SOUTHWEST
QUARTER OF SAID SECTION 33.

THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32,
TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE NORTH HALF OF THE NORTHWEST QUARTER AND THE NORTHWEST
QUARTER OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 2
SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 28,
TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 28,
TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 28,
TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 28,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

THAT PART OF SECTION 28, TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND
SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA
DESCRIBED AS FOLLOWS:

THE NORTH HALF OF SECTION 28, TOWNSHIP 2 SOUTH, RANGE 4 WEST,
GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY,
ARIZONA.

THE NORTHEAST QUARTER IF THE SOUTHWEST QUARTER OF SECTION 38,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

THAT PART OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND
SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA
DESCRIBED AS FOLLOWS:

THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 29,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA;

TOGETHER WITH;

THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 29,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA;

TOGETHER WITH;

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 29,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA;

TOGETHER WITH;

THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 29,
TOWNSHIP 2 SOUTH, RANGE 4 WEST, GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 28;
AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF
SECTION 29;

AND THE NORTHEAST QUARTER IF THE NORTHWEST QUARTER OF
SECTION 32;

AND THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF
SECTION 32;

AND THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 32;
AND THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 31;
AND THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 29;
ALL IN TOWNSHIP 2 SOUTH RANGE 4 WEST OF THE GILA AND SALT RIVER
BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; AND
THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER;
ALL IN SECTION 33, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND
SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE NORTH HALF OF THE SOUTHEAST QUARTER; AND
THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND
THE SOUTH HALF OF THE NORTHEAST QUARTER; AND
THE SOUTHEAST QUARTER IF THE NORTHWEST QUARTER;
ALL IN SECTION 32, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF THE GILA AND
SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 2 SOUTH, RANGE 4
WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA
COUNTY, ARIZONA.

THE SOUTH HALF OF SECTION 31, TOWNSHIP 2 SOUTH, RANGE 4 WEST OF
THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY,
ARIZONA.

CS-5

ATTACHMENT "B"

MARICOPA	4,5,6	3S	4W
COUNTY	SECTION	TOWNSHIP	RANGE

1	2	3	4	5	6	7	8	9	10	11	12
13	14	15	16	17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32	33	34	35	36
37	38	39	40	41	42	43	44	45	46	47	48
49	50	51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70	71	72
73	74	75	76	77	78	79	80	81	82	83	84
85	86	87	88	89	90	91	92	93	94	95	96
97	98	99	100	101	102	103	104	105	106	107	108
109	110	111	112	113	114	115	116	117	118	119	120

Type or Print Description Here:

ATTACHED

THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT ALL THAT PORTION OF LOT 10 LYING SOUTHWESTERLY OF OLD HIGHWAY 80 RIGHT-OF-WAY.

THE WEST HALF OF SECTION 6 TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THAT PROPERTY DESCRIBED IN THE SPECIAL WARRANTY DEED RECORDED AT RECORDER'S NO. 99-790173, RECORDS OF MARICOPA COUNTY, ARIZONA; AND

EXCEPT THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL NO. 4 IN DEED RECORDED AT RECORDER'S NO. 01-1208410; AND

EXCEPT THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL NO. 187 IN DEED RECORDED AT RECORDER'S NO. 01-1208410; AND

EXCEPT THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL NO. 188 IN DEED RECORDED AT RECORDER'S NO. 01-1208410; AND

EXCEPT ANY PORTION OF CONTAINING IRRIGATION AND DRAINAGE OF THE PALOMA IRRIGATION AND DRAINAGE DISTRICT, AS DESCRIBED AT RECORDER'S NO. 01-1208410, RECORDS OF MARICOPA COUNTY, ARIZONA.

LOTS 1 AND 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

LOTS 3 AND 4 AND THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

LOTS 1, 2, AND 3, THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE LAST HALF OF THE SOUTHWEST QUARTER, AND THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

LOTS 4, 5, AND 6, THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 3 SOUTH, RANGE 4 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA

AND LOTS 1 AND 2, THE SOUTH HALF OF THE NORTHEAST QUARTER, AND
THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 4
WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA
COUNTY, ARIZONA.

THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 4
WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA
COUNTY, ARIZONA.

ATTACHMENT C

PROFORMA BALANCE SHEET (WATER)

Page 1

Green Acres Water Company

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
ASSETS					
<u>Current Assets</u>					
Cash	\$ 99,646	\$ 2,488,467	\$ 720,214	\$ 3,717,008	\$ 1,306,475
Accounts Receivable	0	0	0	0	0
Other	0	0	0	0	0
Total Current Assets	\$ 99,646	\$ 2,488,467	\$ 720,214	\$ 3,717,008	\$ 1,306,475
<u>Fixed Assets</u>					
Utility Plant	\$ 11,634,568	\$ 12,305,456	\$ 20,980,768	\$ 21,651,657	\$ 30,316,545
(Less) Accumulated Depreciation	(116,244)	(390,881)	(801,840)	(1,452,816)	(2,343,852)
Net Plant In Service	\$ 11,518,324	\$ 11,914,575	\$ 20,178,928	\$ 20,198,841	\$ 27,972,694
Total Assets	\$ 11,617,970	\$ 14,403,042	\$ 20,899,143	\$ 23,915,848	\$ 29,279,169
LIABILITIES & CAPITAL					
<u>Current and Accrued Liabilities</u>					
Accounts Payable	0	0	0	0	0
Notes Payable	0	0	0	0	0
Accrued Taxes	0	0	0	0	0
Accrued Interest	0	0	0	0	0
Other	0	0	0	0	0
Total Current & Accrued Liabilities	0	0	0	0	0

CCNEW.DOC 04/00

EXHIBIT C

ATTACHMENT C

PROFORMA BALANCE SHEET (WATER)

Page 2

Green Acres Water Company

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<u>Long-Term Debt</u>	0	0	0	0	0
<u>Deferred Credits</u>					
Advances in Aid of Construction	\$ 666,722	\$ 1,265,210	\$ 1,763,143	\$ 2,154,453	\$ 2,441,774
Contributions in Aid of Construction ("CIAC")	\$ 2,000,000	\$ 4,012,500	\$ 6,045,000	\$ 8,057,500	\$ 10,070,000
Less: Amortization of CIAC	\$ (20,069)	\$ (109,987)	\$ (228,675)	\$ (471,492)	\$ (767,949)
Accumulated Deferred Income Tax	-	-	-	-	-
Total Deferred Credits	\$ 2,646,653	\$ 5,167,724	\$ 7,579,468	\$ 9,740,461	\$ 11,743,825
<u>CAPITAL ACCOUNT</u>					
Common Stock	9,017,846	9,017,846	12,517,846	12,517,846	14,817,846
Preferred	0	0	0	0	0
Paid In Capital	0	0	0	0	0
Retained Earnings	(46,529)	217,472	801,829	1,657,541	2,717,497
Total Capital	\$ 8,971,317	\$ 9,235,318	\$ 13,319,675	\$ 14,175,387	\$ 17,535,343
TOTAL LIABILITIES & CAPITAL	\$ 11,617,970	\$ 14,403,042	\$ 20,899,143	\$ 23,915,848	\$ 29,279,169

**ATTACHMENT CW-2
PROFORMA INCOME STATEMENT (WATER)**

Green Acres Water Company

	<u>YR. ONE</u>	<u>YR. TWO</u>	<u>YR. THREE</u>	<u>YR. FOUR</u>	<u>YR. FIVE</u>
REVENUES:					
Water Sales	\$ 348,000	\$ 999,439	\$ 1,661,031	\$ 2,322,562	\$ 2,977,141
Establishment Charges	24,000	24,150	24,180	24,150	24,150
Other Operating Revenue					
Total Operating Revenue	\$ 372,000	\$ 1,023,589	\$ 1,685,211	\$ 2,346,712	\$ 3,001,291
Expenses:					
Pumping Power - All	\$ 78,624	\$ 236,702	\$ 397,604	\$ 558,506	\$ 717,414
Wages	100,000	153,000	207,590	263,818	321,732
Payroll Burden at 33% of Wages	33,000	50,490	68,505	87,060	106,172
Permits (Not Capitalized to Plant)	5,000	5,000	5,000	5,000	5,000
Licenses (Not Capitalized to Plant)	2,000	2,060	2,122	2,185	2,251
Engineering (Not Capitalized to Plant)	2,000	2,060	2,122	2,185	2,251
Chemicals & Water Treatment at	-	-	-	-	-
Supplies	4,000	5,000	6,000	7,000	8,000
Repairs	2,000	6,000	9,000	12,000	15,000
Insurance (b)	4,000	4,120	4,244	4,371	4,502
Office Expense	1,000	3,000	5,000	7,000	9,000
Billing, Postage, Operations	-	-	-	-	-
Contract Labor	5,000	5,650	6,320	7,009	7,719
Administrative Services	40,000	41,200	42,436	43,709	45,020
Rentals	3,000	3,090	3,183	3,278	3,377
Depreciation net of Amortization of CIAC	96,175	184,720	292,270	408,160	594,579
Vehicles	3,500	3,605	3,713	3,825	3,939
Legal & Accounting	12,000	12,360	12,731	13,113	13,506
Miscellaneous Expenses	2,400	2,472	2,546	2,623	2,701
Testing	4,000	8,025	12,055	16,080	20,105
Income Taxes	50	50	50	50	50
Property Taxes	21,530	33,228	57,187	92,159	125,574
Total Expense	419,279	761,833	1,139,676	1,539,129	2,007,893
Operating income (loss)	\$ (47,279)	\$ 261,757	\$ 545,535	\$ 807,582	\$ 993,397
Less:					
Interest (Expense) Income on Cash Balance (c)	750	2,245	38,822	48,130	66,558
Interest Expense Long-term Debt					
Net Income	\$ (46,529)	\$ 264,001	\$ 584,356	\$ 855,713	\$ 1,059,956

Organized as an LLC, Non-Taxable. \$50 is for information return fee.

ATTACHMENT "D"
WATER TARIFF SCHEDULE

Page 1

UTILITY: Green Acres Water Company

RATES AND CHARGES
CUSTOMER / MINIMUM CHARGE
PER MONTH

<u>METER</u>	<u>CHARGE</u>		<u>GALLONS</u>
5/8 x 3/4	\$ 34.00	FOR	ZERO
3/4	\$ 34.00	FOR	ZERO
1	\$ 85.00	FOR	ZERO
1 1/2	\$ 170.00	FOR	ZERO
2	\$ 272.00	FOR	ZERO
3	\$ 544.00	FOR	ZERO
4	\$ 850.00	FOR	ZERO
6	\$ 1,700.00	FOR	ZERO
8	\$ 2,720.00	FOR	ZERO
10	\$ 3,910.00	FOR	ZERO
12	\$ 7,310.00	FOR	ZERO

<u>METER</u>	<u>CHARGE</u>
5/8 x 3/4	\$ 470.00
3/4	\$ 750.00
1	\$ 650.00
1 1/2	\$ 895.00
2	\$ 1,555.00
3	\$ 2,060.00
4	\$ 2,235.00
6	\$ 3,070.00
8	Cost
10	Cost
12	Cost

COMMODITY CHARGE (EXCESS OF MINIMUM):**COMMODITY RATES / RESIDENTIAL METERS**

<u>Usage</u>	<u>Usage</u>	5/8 & 3/4 Inch Meters
<u>From</u>	<u>To</u>	Charge Per 1,000
-	7,000	\$ 3.50
7,001	14,000	\$ 4.50
14,001	Infinity	\$ 5.50

COMMODITY RATES / ALL OTHER METERS

<u>Usage</u>	<u>Usage</u>	5/8 Inch Meters
<u>From</u>	<u>To</u>	
1	8,000	\$ 4.50
8,001	Infinity	\$ 5.50
		3/4 Inch Meters
1	8,000	
8,001	Infinity	
		1 Inch Meters
1	35,000	\$ 4.50
35,001	Infinity	\$ 5.50
		1 1/2 Inch Meters
1	70,000	\$ 4.50
70,001	Infinity	\$ 5.50
		2 Inch Meters
1	112,000	\$ 4.50
112,001	Infinity	\$ 5.50
		3 Inch Meters
1	224,000	\$ 4.50
224,001	Infinity	\$ 5.50
		4 Inch Meters
1	350,000	\$ 4.50
350,001	Infinity	\$ 5.50

ATTACHMENT "D"
WATER TARIFF SCHEDULE

Page 2

UTILITY: Green Acres Water Company

RATES AND CHARGES

COMMODITY CHARGE (EXCESS OF MINIMUM):

Usage From	Usage To	Charge Per 1,000
-	-	6 Inch Meters
1	700,000	\$ 4.50
700,001	Infinity	\$ 5.50
-	-	8 Inch Meters
1	1,120,000	\$ 4.50
1,120,001	Infinity	\$ 5.50
-	-	10 Inch Meters
1	1,610,000	\$ 4.50
1,610,001	Infinity	\$ 5.50
-	-	12 Inch Meters
1	3,010,000	\$ 4.50
3,010,001	Infinity	\$ 5.50

SERVICE CHARGES:

1. ESTABLISHMENT (R14-2-403.D.1)	\$ 30.00
2. ESTABLISHMENT / AFTER HOURS (R14-2-403.D.2)	\$ 50.00
3. RECONNECTION / DELINQUENT (R14-2-403.D.1)	\$ 50.00
4. NSF CHECK (R14-2-409.F.1)	\$ 30.00
5. METER REREAD / IF CORRECT (R-14-408.C.2)	\$ 30.00
6. METER TEST / IF CORRECT (R14-2-408.F.1)	\$ 30.00
7. DEFERRED PAYMENT (R14-2-409.G.6)	1.50% Per Month
8. DEPOSIT INTEREST (R14-2-408.B.3)	
9. DEPOSIT (R14-2-403.B.7)	per rule
10. REESTABLISHMENT WITHIN 12 MONTHS (R14-2-608.F.1)	(a)
11. LATE PAYMENT PENALTY (R14-2-408.F.1)	1.50% Per Month
12. All Revenue related taxes will be charged customers.	
Main Extension and additional facilities agreements,	@ COST (b)

RULES AND REGULATIONS

* The Company has adopted the Rules and Regulation established by the Commission as the basis for its operating procedures. Arizona Corporation Commission Rules will be controlling of Company procedures, unless specific Commission Orders provide otherwise.

(a) Monthly minimum times months off the system

(b) Cost to include parts, labor, overhead, and all applicable taxes, including income tax.

ATTACHMENT "D"
WATER TARIFF SCHEDULE

Page 3

UTILITY: Green Acres Water Company

RATES AND CHARGES

Off Site Facilities Hook-up Fee

<u>METER</u>	
5/8 x 3/4	\$ 2,500
3/4	\$ 2,500
1	\$ 6,250
1 1/2	\$ 12,500
2	\$ 20,000
3	\$ 40,000
4	\$ 62,500
6	\$ 125,000
8	\$ 200,000
10	\$ 287,500
12	\$ 537,500

Green Acres Water Company
Schedule for the Computation of Projected
Property Taxes for the Years Ended

Exhibit
Schedule 2b
Page 1
Witness: Kozoman

Line No.	Year				
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Revenue Component 1	\$ 372,000	\$ 372,000	\$ 372,000	\$ 1,023,589	\$ 1,685,211
Revenue Component 2	372,000	372,000	1,023,589	1,685,211	2,346,712
Revenue Component 3	372,000	1,023,589	1,685,211	2,346,712	3,001,291
Average of 3 years of revenue multiplied by 2	\$ 744,000	\$ 1,178,393	\$ 2,053,867	\$ 3,370,341	\$ 4,688,809
Add:					
Construction Work in Progress at 10%	0	0	0	0	0
Deduct:					
Book Value of Transportation Equipment	22,500	17,500	12,500	7,500	2,500
Full Cash Value	\$ 721,500	\$ 1,160,893	\$ 2,041,367	\$ 3,362,841	\$ 4,686,309
Times Assessment Ratio	24.50%	23.50%	23.00%	22.50%	22.00%
Assessed Value	\$ 176,768	\$ 272,810	\$ 469,514	\$ 756,639	\$ 1,030,988
Property Tax Rate (Statewide Rate Used)	12.18%	12.18%	12.18%	12.18%	12.18%
Computed Property Tax	\$ 21,530	\$ 33,228	\$ 57,187	\$ 92,159	\$ 125,574

EXHIBIT E

ATTACHMENT CW-3
 PROFORMA UTILITY PLANT IN SERVICE (WATER)
 FIRST YEAR
 Green Acres Water Company

Page 1

	ORIGINAL COST	ACCUM. DEPRC.	ORIG. COST LESS DEPREC.
Organization	\$ 50,000	\$ -	\$ 50,000
Franchises	-	-	-
Land and Land Rights	-	-	-
Structures and Improvements	135,000	2,248	132,752
Collecting and Impounding Rese	-	-	-
Lake, River and Other Intakes	-	-	-
Wells and Springs	-	-	-
Infiltration Galleries and Tun	-	-	-
Supply Mains	-	-	-
Power Generation Equipment	-	-	-
Pumping Equipment	384,000	24,000	360,000
Water Treatment Equipment	2,240,000	5,967	2,234,033
Solution Chemical Feeds	67,000	1,072	65,928
Brine Disposal	4,160,000	11,082	4,148,918
Distribution Reservoirs and St	500,000	5,550	494,450
Transmission and Distribution ,	2,619,401	26,194	2,593,207
Transmission and Distribution , Stub Outs for Services	71,645	716	70,929
Transmission and Distribution (AIAC)	290,722	2,907	287,814
Services	288,000	4,795	283,205
Meters and Meter Installations	88,000	3,665	84,335
Hydrants, 44 Hydrants	101,200	1,012	100,188
Hydrants (CIAC)	-	-	-
Backflow Prevention Devices	96,600	3,222	93,378
Other Plant and Miscellaneous	250,000	8,338	241,663
Office Furniture and Equipment	-	-	-
Transportation Equipment	25,000	2,500	22,500
Stores Equipment	-	-	-
Tools, Shop and Garage Equipme	-	-	-
Laboratory Equipment	-	-	-
Power Operated Equipment	17,000	425	16,575
Communication Equipment	84,000	4,200	79,800
Miscellaneous Equipment	-	-	-
Other Tangible Plant	167,000	8,350	158,650
Other Tangible Plant	-	-	-
Total Plant	<u>11,634,568</u>	<u>116,244</u>	<u>11,518,324</u>

ATTACHMENT CW-3
PROFORMA UTILITY PLANT IN SERVICE (WATER)
SECOND YEAR
Green Acres Water Company

Page 2

	ORIGINAL COST	ACCUM. DEPRC.	ORIG. COST LESS DEPREC.
Organization	\$ 50,000	\$ -	\$ 50,000
Franchises	-	-	-
Land and Land Rights	-	-	-
Structures and Improvements	135,000	6,743	128,257
Collecting and Impounding Rese	-	-	-
Lake, River and Other Intakes	-	-	-
Wells and Springs	-	-	-
Infiltration Galleries and Tun	-	-	-
Supply Mains	-	-	-
Power Generation Equipment	-	-	-
Pumping Equipment	384,000	72,000	312,000
Water Treatment Equipment	2,240,000	29,911	2,210,089
Solution Chemical Feeds	67,000	5,373	61,627
Brine Disposal	4,160,000	55,550	4,104,450
Distribution Reservoirs and St	500,000	16,650	483,350
Transmission and Distribution ,	2,619,401	78,582	2,540,819
Transmission and Distribution , Stub Outs for Services	71,645	2,149	69,496
Transmission and Distribution (AIAC)	583,260	11,647	571,613
Services	577,800	13,453	564,347
Meters and Meter Installations	176,550	14,684	161,866
Hydrants, 44 Hydrants	101,200	3,036	98,164
Hydrants (CIAC)	-	-	-
Backflow Prevention Devices	96,600	9,665	86,935
Other Plant and Miscellaneous	250,000	25,013	224,988
Office Furniture and Equipment	-	-	-
Transportation Equipment	25,000	7,500	17,500
Stores Equipment	-	-	-
Tools, Shop and Garage Equipme	-	-	-
Laboratory Equipment	-	-	-
Power Operated Equipment	17,000	1,275	15,725
Communication Equipment	84,000	12,600	71,400
Miscellaneous Equipment	-	-	-
Other Tangible Plant	167,000	25,050	141,950
Other Tangible Plant	-	-	-
Total Plant	<u>12,305,456</u>	<u>390,881</u>	<u>11,914,575</u>

ATTACHMENT CW-3
PROFORMA UTILITY PLANT IN SERVICE (WATER)
THIRD YEAR
Green Acres Water Company

Page 3

	ORIGINAL COST	ACCUM. DEPRC.	ORIG. COST LESS DEPREC.
Organization	\$ 50,000	\$ -	\$ 50,000
Franchises	-	-	-
Land and Land Rights	-	-	-
Structures and Improvements	270,000	13,487	256,514
Collecting and Impounding Rese	-	-	-
Lake, River and Other Intakes	-	-	-
Wells and Springs	-	-	-
Infiltration Galleries and Tun	-	-	-
Supply Mains	-	-	-
Power Generation Equipment	-	-	-
Pumping Equipment	767,000	143,938	623,063
Water Treatment Equipment	4,480,000	71,840	4,408,160
Solution Chemical Feeds	134,000	12,906	121,094
Brine Disposal	8,320,000	133,416	8,186,584
Distribution Reservoirs and St	1,000,000	33,300	966,700
Transmission and Distribution ,	2,619,401	130,970	2,488,431
Transmission and Distribution , Stub Outs for Services	71,645	3,582	68,063
Transmission and Distribution (AIAC)	876,162	26,241	849,921
Services	868,215	37,529	830,686
Meters and Meter Installations	266,545	33,139	233,406
Hydrants, 44 Hydrants	101,200	5,060	96,140
Hydrants (CIAC)	-	-	-
Backflow Prevention Devices	96,600	16,108	80,492
Other Plant and Miscellaneous	500,000	50,025	449,975
Office Furniture and Equipment	-	-	-
Transportation Equipment	25,000	12,500	12,500
Stores Equipment	-	-	-
Tools, Shop and Garage Equipme	-	-	-
Laboratory Equipment	-	-	-
Power Operated Equipment	34,000	2,550	31,450
Communication Equipment	167,000	25,150	141,850
Miscellaneous Equipment	-	-	-
Other Tangible Plant	334,000	50,100	283,900
Other Tangible Plant	-	-	-
Total Plant	<u>20,980,768</u>	<u>801,840</u>	<u>20,178,928</u>

ATTACHMENT CW-3
PROFORMA UTILITY PLANT IN SERVICE (WATER)
FOURTH YEAR
Green Acres Water Company

Page 4

	ORIGINAL COST	ACCUM. DEPRC.	ORIG. COST LESS DEPREC.
Organization	\$ 50,000	\$ -	\$ 50,000
Franchises	-	-	-
Land and Land Rights	-	-	-
Structures and Improvements	270,000	22,478	247,523
Collecting and Impounding Rese	-	-	-
Lake, River and Other Intakes	-	-	-
Wells and Springs	-	-	-
Infiltration Galleries and Tun	-	-	-
Supply Mains	-	-	-
Power Generation Equipment	-	-	-
Pumping Equipment	767,000	239,813	527,188
Water Treatment Equipment	4,480,000	167,795	4,312,205
Solution Chemical Feeds	134,000	30,143	103,857
Brine Disposal	8,320,000	311,619	8,008,381
Distribution Reservoirs and St	1,000,000	55,500	944,500
Transmission and Distribution ,	2,619,401	183,358	2,436,043
Transmission and Distribution , Stub Outs for Services	71,645	5,015	66,630
Transmission and Distribution (AIAC)	1,168,701	46,690	1,122,011
Services	1,158,015	71,266	1,086,749
Meters and Meter Installations	355,095	59,030	296,065
Hydrants, 44 Hydrants	101,200	7,084	94,116
Hydrants (CIAC)	-	-	-
Backflow Prevention Devices	96,600	22,551	74,049
Other Plant and Miscellaneous	500,000	83,375	416,625
Office Furniture and Equipment	-	-	-
Transportation Equipment	25,000	17,500	7,500
Stores Equipment	-	-	-
Tools, Shop and Garage Equipme	-	-	-
Laboratory Equipment	-	-	-
Power Operated Equipment	34,000	4,250	29,750
Communication Equipment	167,000	41,850	125,150
Miscellaneous Equipment	-	-	-
Other Tangible Plant	334,000	83,500	250,500
Other Tangible Plant	-	-	-
Total Plant	<u>21,651,657</u>	<u>1,452,816</u>	<u>20,198,841</u>

ATTACHMENT CW-3
PROFORMA UTILITY PLANT IN SERVICE (WATER)
FIFTH YEAR
Green Acres Water Company

Page 5

	ORIGINAL COST	ACCUM. DEPRC.	ORIG. COST LESS DEPREC.
Organization	\$ 50,000	\$ -	\$ 50,000
Franchises	-	-	-
Land and Land Rights	-	-	-
Structures and Improvements	400,000	33,633	366,367
Collecting and Impounding Rese	-	-	-
Lake, River and Other Intakes	-	-	-
Wells and Springs	-	-	-
Infiltration Galleries and Tun	-	-	-
Supply Mains	-	-	-
Power Generation Equipment	-	-	-
Pumping Equipment	1,150,000	359,625	790,375
Water Treatment Equipment	6,720,000	317,762	6,402,238
Solution Chemical Feeds	200,000	57,004	142,996
Brine Disposal	12,480,000	590,129	11,889,871
Distribution Reservoirs and St	1,500,000	83,250	1,416,750
Transmission and Distribution ,	2,619,401	235,746	2,383,655
Transmission and Distribution , Stub Outs for Services	71,645	6,448	65,197
Transmission and Distribution (AIAC)	1,461,239	72,989	1,388,250
Services	1,447,815	114,653	1,333,162
Meters and Meter Installations	443,645	92,297	351,348
Hydrants, 44 Hydrants	101,200	9,108	92,092
Hydrants (CIAC)	-	-	-
Backflow Prevention Devices	96,600	28,994	67,606
Other Plant and Miscellaneous	750,000	125,063	624,938
Office Furniture and Equipment	-	-	-
Transportation Equipment	25,000	22,500	2,500
Stores Equipment	-	-	-
Tools, Shop and Garage Equipme	-	-	-
Laboratory Equipment	16,000	800	15,200
Power Operated Equipment	34,000	5,950	28,050
Communication Equipment	250,000	62,700	187,300
Miscellaneous Equipment	-	-	-
Other Tangible Plant	500,000	125,200	374,800
Other Tangible Plant	-	-	-
Total Plant	<u>30,316,545</u>	<u>2,343,852</u>	<u>27,972,694</u>

GREEN ACRES WATER, L.L.C.
9532 East Riggs Road
Sun Lakes, Arizona 85248

November 14, 2005

Dear Property Owners:

Green Acres Water, L.L.C. has filed with the Arizona Corporation Commission ("Commission") an application for authority to provide water service to an area in which records indicate that you are a property owner. If the application is granted, Green Acres Water, L.L.C. would be the exclusive provider of water service to the proposed area. Green Acres Water, L.L.C. will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Green Acres Water, L.L.C., 9532 E. Riggs Road, Sun Lakes, AZ 85248.

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.

**Green Acres Water, L.L.C.
9532 East Riggs Road
Sun Lakes, Arizona 85248**

November 14, 2005

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Dear Docket Control:

I certify that on November 14, 2005 each affected property owner was notified of the application by Green Acres Water, L.L.C. for a new water Certificate of Convenience and Necessity.

Sincerely,

A handwritten signature in black ink, appearing to be 'S. Robson', with a long horizontal flourish extending to the right.

Steve Robson

GREEN ACRES WATER

CONCEPTUAL WATER SYSTEM STUDY

Prepared For:

**Green Acres Water, L.L.C.
2151 East Broadway Road, Suite 210
Tempe, AZ 85282**

Prepared By:

**Carter & Burgess, Inc.
101 N. 1st Avenue, Suite 3100
Phoenix, AZ 85003
(602) 253-1200**

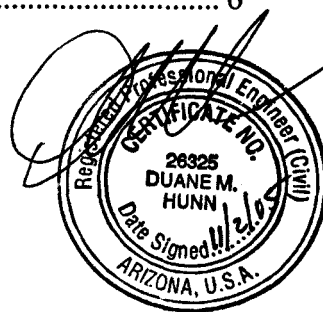
Project Number: 195047.011

October 28, 2005



TABLE OF CONTENTS

1.0	INTRODUCTION	1
1.1.	General Background	1
1.2.	Scope of the Study	1
1.3.	Topographic Conditions	1
1.4.	Existing Water Infrastructure	2
2.0	WATER DEMANDS	2
2.1.	Residential Development	2
3.0	SUPPLY, TREATMENT, STORAGE AND BOOSTER SYSTEMS	3
3.1.	Production Wells	3
3.2.	Treatment System	4
3.3.	Storage System	4
3.4.	Booster Pumps and Hydropneumatic Tank	5
4.0	DISTRIBUTION SYSTEM	5
4.1.	Proposed Distribution System	5
5.0	CONCLUSIONS	6



LIST OF EXHIBITS

EXHIBIT 1	Vicinity Map
EXHIBIT 2	Conceptual Water Exhibit

1.0 INTRODUCTION

1.1. General Background

The Green Acres Water Utility Franchise Area (GAWUFA) is a proposed 4830-acre project located in unincorporated Maricopa County. It is located between the Town of Buckeye and the Town of Gila Bend, along Highway 85. It is bounded by Highway 85 on the East, the Gila River on the west, and Patterson Road on the south, and the Buckeye Hills on the north. The land is mostly being used for agricultural, but part is undisturbed desert. Refer to Exhibit 1 - Vicinity Map for the project location.

1.2. Scope of the Study

The purpose of this study is to develop a general water infrastructure concept for the GAWUFA. This study is not intended to be a detailed design report; rather, it is a general discussion of the improvements that will be required. The proposed infrastructure has been conceptually designed in accordance with Maricopa County Environmental Services Department (MCESD) and Arizona Department of Environmental Quality (ADEQ).

The study was conducted for the proposed water infrastructure system at the anticipated 5 year build out and at full build-out. While it is expected that the actual construction of the system will be phased, the water demands and conceptual design have been estimated for development of the system at the 5 year build out and at full build-out.

1.3. Topographic Conditions

The area encompassed by the GAWUFA generally slopes from northeast to southwest. Elevations range from approximately 900 feet at the

northeast corner to approximately 720 feet at the southwest corner. Slopes range from 1.5 percent in the areas at the base of the Buckeye Hills to 0.5 percent in the areas toward the southwest corner of the site. The elevation change over the franchise area will necessitate two pressure zones to maintain pressures in an acceptable range.

1.4. Existing Water Infrastructure

Currently there is no existing water infrastructure located in the Utility Franchise Area.

2.0 WATER DEMANDS

At the 5-year build-out we are estimating that the GAWUFA will serve approximately 5,000 single-family residential units. This results in an estimated density of 3.66 dwelling units per acre (DU/ac).

2.1. Residential Development

At full built out based on an estimated density of 3.2 DU/ac it is anticipated that 15,456 residential units will be constructed. Residential demand criteria are in conformance with ADWR design requirements. The demand calculations are as follows:

$$\text{Average Day Demand (gpd)} = \left(\frac{\text{Average Population}}{\text{Unit}} \right) \times (\text{Average Water Demand per Unit})$$

$$\text{Maximum Day Demand (gpd)} = (\text{Average Day Demand}) \times (\text{Maximum Day Demand Peaking Factor})$$

$$\text{Peak Hour Demand (gpm)} = (\text{Average Day Demand}) \times (\text{Peak Hour Demand Peaking Factor}) / 1440$$

Table A, below, provides a summary of residential demand calculations utilized.

Table A – Residential Demand Criteria

Average Residential Demand (gpcd)	150
Average Population per Unit	3.2
Average Day Demand per Unit (gpd)	480
Maximum Day Demand Peaking Factor	2.0
Maximum Day Demand per Unit (gpd)	960
Peak Hour Demand Peaking Factor	3.0
Peak Hour Demand per Unit (gpd)	1,440
Residential Fire Flow (gpm)	1,500
Commercial Fire Flow (gpm)	3,000

3.0 SUPPLY, TREATMENT, STORAGE AND BOOSTER SYSTEMS

It is proposed that the GAWUFA will be supplied by groundwater. It is anticipated that each well will produce approximately 1,500 gpm. The series of wells will need to be able to provide the Maximum Day Demand at 18 hours per day with one well not in service (At a minimum 2 wells will be needed to start service within the GAWUFA).

3.1. Production Wells

The wells will discharge directly to the Water Production Facility (WPF). Discharge from the wells will be conveyed to the WPF by means of a transmission (fill) system independent of the water distribution system.

3.2. Treatment System

It is understood that some form of water treatment may be required to meet water quality standards. The extent of treatment necessary will be determined by analysis of the water produced by the wells as they are developed. The conceptual treatment option is a reverse osmosis (RO) system; the byproduct of which is brine. This brine will need to be disposed of in an acceptable manner. Any required treatment would be performed at the Water Production Facility (WPF); no well-head treatment is proposed.

3.3. Storage System

The sizing of the storage volume will be based upon meeting the greater of the following:

- Emergency reserve equal to the Average Day Demand
- Equalizing storage equal to 30% of Maximum Day Demand with Fire Flow Demand

For the first 5 years, assuming we would need to provide commercial fire flow, the two criteria come to:

- 2.4 million gallons (MG) for the Average Day Demand
- 1.98 MG for Equalizing Storage

The storage projected need for the 5 year build out is 2.4 MG. This will be satisfied by one (1), 2.5 MG above ground reservoir. The storage projection for full build out is estimated at 8.0 MG.

3.4. Booster Pumps and Hydropneumatic Tank

The sizing of the pumps will be based upon meeting the greater of the following:

- Peak Hour Demand
- Maximum Day Demand with Fire Flow

For the first 5 years, assuming we would need to provide commercial fire flow, the two criteria come to:

- 15,456 gpm for Peak Hour Demand
- 10,679 gpm for Maximum Day Demand with Fire Flow

The controlling demand is the Peak Hour Demand. With a two zone system there will be two banks of pumps; one bank for each zone. These two pump series will be supplied from the same storage reservoir and will be linked after pressurization by a pressure reducing valve (PRV). Any fire flow demands in the system will be met by the higher pressure bank of pumps. Pump selection will allow demands to be met at all flow ranges with one pump out of service. The pump control system will allow sequential operation permitting uniform pump wear.

4.0 DISTRIBUTION SYSTEM

4.1. Proposed Distribution System

The GAWUFA will be served by a potable distribution system. The main backbone lines will be installed by the utility company. Each developer will utilize these main lines and install local distribution lines to service the homes in their respective developments. Refer to Exhibit 2 – Conceptual Water Exhibit for the proposed configuration.

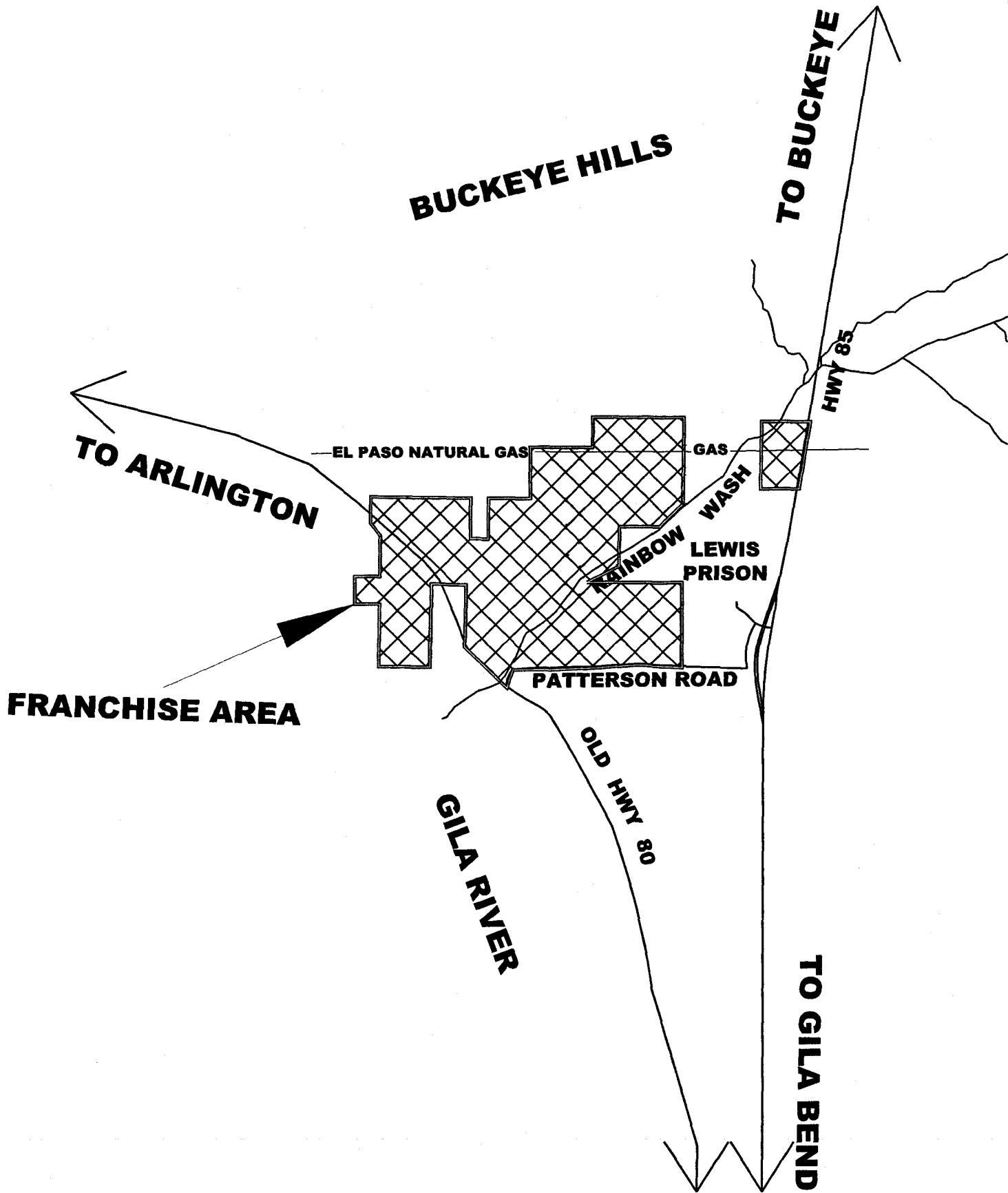
5.0 CONCLUSIONS

- A detailed Design Report will be required for the proposed WPF (including treatment, storage and booster systems) and for proposed well sites. The Report will address phasing of the Water System. The Design Report will be submitted to MCESD for review and approval.
- Construction Plans will be prepared for proposed water infrastructure system components including distribution and transmission mains. The Construction Plans will be submitted to MCESD for review and approval.
- Detailed Subdivision Design Reports will be prepared for each residential development or for groups of concurrently developed parcels within the franchise area. The Reports will provide modeling of the water distribution system within each developed parcel and will be submitted to MCESD for review and approval.
- Subdivision water system Construction Plans will be prepared for each residential parcel or for groups of concurrently developed parcels and will be submitted to MCESD for review and approval.
- A hydrogeologic study will be completed to determine water quantity and quality parameters. The required number of wells and well locations will be based upon the results of the study.
- Two pressure zones will be needed for the GAWUFA. These zones will allow for acceptable pressures throughout the potable distribution system.

EXHIBITS

EXHIBIT 1

VICINITY MAP



**GREEN ARCES FRANCHISE
VICINITY MAP**

**JOB NUMBER
195047.011**

**DATE: 10.28.2005
DRAWING: DWT**

Carter-Burgess

**101 N. FIRST AVE., #3100
PHOENIX, AZ 85003
TEL: 602.253.1200
FAX: 602.253.1202**

EXHIBIT 2

CONCEPTUAL WATER EXHIBIT

